

FISCAL NOTE

SB 236 - HB 1176

March 21, 2007

SUMMARY OF BILL: Creates the Board of Naturopathic Medical Examiners and outline the licensing requirements for naturopathic physicians. Creates a Class A misdemeanor for practicing as a naturopathic physician without a license and a Class E felony for a subsequent violation.

ESTIMATED FISCAL IMPACT:

Increase State Revenues - \$40,700

Increase State Expenditures - \$32,400 Recurring

\$8,300 One-Time

\$1,300/Incarceration*

Increase Local Govt. Revenues – Not Significant

Increase Local Govt. Expenditures – Not Significant

Assumptions:

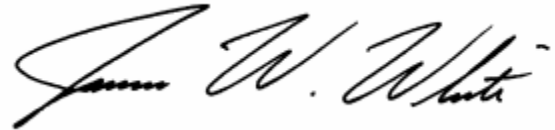
- The Department of Health would need to hire an AARB2 position to process the applications of the 30 – 100 new licensees and coordinate board meetings, process renewals, monitor continuing education requirements and to answer inquiries concerning licensing and scope of practice estimated at \$30,124 plus \$300 for office supplies.
- The Board will consist of five members, all of whom will receive \$50 per diem and travel expenses estimated at \$2,000.
- One-time expenditures estimated at \$8,300 for communications, landscaping, computer software and computer modifications.
- The Board of Naturopathic Medicine would set a fee structure at a level great enough to cover the costs of operations. Health related boards, by statute, are self-supporting such that revenues equal expenditures.
- There will not be a significant increase in local government expenditures or revenues for the Class A misdemeanor which is created by the bill.
- One Class E felony every five years with 0.3 years time served (109.58 days). The annualized time served per conviction is 21.92 days (0.50 annual number of convictions x 109.58 days served). According to the Department of Correction, the average operating cost per inmate per day for calendar year 2007 is \$60.16. The annualized cost per conviction is \$1,318.71 (0.20 x 109.58 days x \$60.16).

- No significant incarceration cost increase will occur due to population growth in this period.

**Tennessee Code Annotated, Section 9-4-210, requires that: For any law enacted after July 1, 1986, which results in a net increase in periods of imprisonment in state facilities, there shall be appropriated from recurring revenues the estimated operating cost of such law. The amount appropriated from recurring revenues shall be based upon the highest cost of the next 10 years.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a larger, more prominent script than the last name "White".

James W. White, Executive Director